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RUEHCV/AMEMBASSY CARACAS 2643
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SUBJECT: COOPERATIVE MINERS MARCH ON LA PAZ AND PLAN TO
"TAKE" SUCRE

REF: A. A: LA PAZ 1940
[1](#)B. B: LA PAZ 1840
[1](#)C. C: LA PAZ 1403
[1](#)D. D: LA PAZ 363

Cooperative Miners Protest in La Paz

[1](#)1. Press reports indicate that thousands of cooperative miners arrived the morning of July 17 in El Alto on their way to La Paz. On orders from the Ministry of Government and Ministry of Defense, the police and military are searching all vehicles entering La Paz in an attempt to seize explosives. Press reports indicate that police in El Alto are using tear gas to disperse groups of miners. As of 1500, confrontations between police and cooperatives in El Alto are ongoing, and access to the La Paz central governmental plaza has been closed by the police as a precautionary measure. Police are searching demonstrators in the Heroes' Plaza (close to the central plaza) because some of the protesting miners reportedly have dynamite. The Superintendent of Transportation announced over the weekend that starting this week there will be severe sanctions for the transportation of explosives on public vehicles. (Note: Huanuni salaried miners were forgiven on July 13 for their attempt to bring explosives into La Paz, see La Paz 1940.)

Tomorrow in Sucre?

[1](#)2. Press sources in Potosi (a cooperative stronghold) claim that 30,000 miners will march on Sucre tomorrow to "take" the Constituent Assembly in an attempt to force the assembly to conclude its work in August, as originally planned. The Potosi Departmental Federation of Cooperative Miners

(FEDECOMIN Potosi) warns that its members will be militant and will block roads from Potosi to Oruro, Tarija, Sucre, and Uyuni. The prospect of cooperative miners descending upon Sucre worries the GOB, since the last such major protests resulted in significant damage to public property.

Cooperatives' Complaints

¶3. Sources in the mining industry suggested to Emboff last week that the real reason for this show of strength on the part of the cooperative miners is their opposition to a recent private-member bill tabled in congress which would invalidate all current contracts with the state mining company, COMIBOL. Such a bill would be extremely damaging for the cooperatives and would also put at risk Coeur d'Alene's San Bartolome mine in Potosi.

¶4. After previous protests, the cooperatives are now exempt from a number of the GOB's most damaging proposed changes to the mining code (ref B), including increased taxes. However, the cooperatives are still opposed to the GOB's May 1 decree declaring all mineral reserves to be the property of the state. In addition, the national cooperative mining federation (FENCOMIN) leader announced that they are opposed to the nationalization of Huanuni, which was the main reason for the paralyzing protests by the salaried miners a week ago.

¶5. A leader of cooperatives in Oruro is also quoted as saying that President Morales has discriminated against the miners in favor of the indigenous and campesinos, whom the

GOB supposedly favors. "The cooperative miners are supporters of the state, more than the campesinos and indigenous, yet disgracefully they want to run the country...we are not against the indigenous, but we cannot go backwards..." Specifically, he cited the proposed section of the new constitution which would give indigenous groups first rights to any mineral deposits on their lands, lamenting the fact that the cooperatives would have to "ask permission" to do their jobs. Another cooperative leader complained about the "lack of attention from this government" and cited the "pure hypocrisy" of their various meetings with President Morales, who promised them benefits that they have not yet seen.

Comment

¶6. The cooperative miners have marched a number of times recently in reaction to unfavorable decrees by President Morales' government (refs B and C), and in general they have wrung concessions from the GOB through their use of sometimes-violent street protests. Coming so soon after the success of the Huanuni salaried-miners' protests (ref A), the cooperative miners' protests may have less to do with particular complaints and more to do with a basic need to show their power. A goal of the Huanuni miners' protests was the exclusion of cooperatives from Huanuni, and a perceived "win" for the salaried-miners may, therefore, require a win for the cooperatives. (Comment: No matter who wins these face-offs with the government, the country as a whole loses in productivity and international image. The Huanuni strike left travelers and commercial vehicles stranded for over six days and reportedly caused over USD200,000 in lost mining revenues daily.)

¶7. Recently, President Morales commented publicly that the miners are no longer the hope and defense of the Bolivian people. "Before, the miners fought for the Bolivian people and not just for a sector, region, or municipality, and now they are becoming a sector that damages the country," he said. In the past, President Morales has relied on the backing of the miners, but now the relation seems to be cooling (see ref C for further comment.) A split between the

miners (often seen as prototypical Bolivian) and the populist (and extremely popular) president could hurt Morales' public image. In a television interview after the the police use of tear gas, the leader of FENCOMIN reminded the GOB that marches such as this one were the way that the Morales government came to power and that the cooperatives had supported the current government. On the other hand, the transportation difficulties and potential violence that surrounded the Huanuni and now cooperatives' protests have not enhanced the image of either the cooperative or state miners, with both groups appearing to lose public support.

End comment.

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